



# NEWS RELEASE

CALIFORNIA SECRETARY OF STATE **BRUCE McPHERSON**

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## **Governor Schwarzenegger signs AB 2588 Secretary of State Business Relief Bill**

SACRAMENTO, CA - Today, Governor Schwarzenegger signed legislation sponsored by Secretary of State Bruce McPherson into law. AB 2588 (Runner) is part of Secretary McPherson's on-going effort to improve the business climate of California.

Secretary McPherson said, "I commend Governor Schwarzenegger for signing AB 2588. This bill will make an immediate difference for members of California's business community. Over the last 3 years our business climate has drastically improved thanks to the efforts of Governor Schwarzenegger and members of the legislature like Sharon Runner. I would also like to commend Assemblywoman Runner for her partnership and efforts in this area.

"My office is continually working to make California more hospitable to those who are creating jobs for Californians. By partnering with the Legislature and the Governor we were able to take a positive step forward and improve California's business climate and increase opportunities for working Californians."

Assemblywoman Runner said, "This is a meaningful step to improve the business climate in California. It was wonderful working with Secretary McPherson to pass this common sense measure through the Legislature that makes government less burdensome and more efficient."

Secretary McPherson sponsored AB 2588 after the largest division of the Secretary of State's office, the Business Programs Division (BPD), staff determined there was a direct need for the relief addressed in this bill.

Secretary McPherson said, "We sponsored this bill after hearing from the business community that there was a need for the increased efficiency that comes from this kind of reform."

Assembly Bill 2588 will allow a business to obtain judicial determination, and if appropriate a court order, to reinstate the business, without needing to file legal action with the Secretary of State. This proposal will remove the Secretary of State from the judicial process and allow these businesses to obtain a quicker review of their case. Courts will preside over less complex cases which will save time and resources, and businesses will resolve problems more efficiently.

Overseeing the Business Programs Division is a major function of the Secretary of State's office. The Business Programs Division is responsible for filing and maintaining more than 2 million records for most business entities operating in California.